

Exhibit C



DEPARTMENT OF VETERANS AFFAIRS
Regional Office
9700 Page Avenue
Suite 101 – Compliance and Liaison
St Louis MO 63132-1502

May 7, 2017

MS. AMANDA DROBA
NEW HORIZONS CLCOF CHICAGO
525 W VAN BUREN STREET, SUITE 300
CHICAGO IL 60607

Dear Ms. Droba:

We recently completed a compliance survey on your training establishment. I appreciate the courtesy and assistance that you extended to Mr. Steven Nelle, our Education Compliance Survey Specialist. This letter gives information on what we found.

What We Found

There was one discrepancy found from the 15 records reviewed during the survey. The discrepancy is listed below and has been submitted for corrective action accordingly.

Discrepancies Found

Facts: In 4 records reviewed, a discrepancy was found regarding the failure of the facility to accurately and promptly report enrollment, tuition and fees, lessons serviced, flight training hours, or APP/OJT hours.

- A. A [REDACTED] A [REDACTED], XXX-XX [REDACTED], CH 33; student was certified for school term 9/3/15-2/12/16 for tuition cost of \$12,500.00; school awarded a tuition grant to the student in the amount of \$5,000.00 which was not deducted from the tuition cost prior to billing the VA for school term 9/3/15 – 2/12/16. Correct tuition for this term should be \$7500.00; CS Referral was submitted and processed which resulted in a 75B school debt of \$3,000.00.
- B. M [REDACTED] J [REDACTED], XXX-XX [REDACTED], CH 33; student was certified for school terms 4/17/17-6/1/17; 2/22/17-4/13/17; 2/13/17-2/21/17; 2/8/17-2/9/17; 1/25/17-2/7/17; and 11/28/16-1/24/17. School originally submitted tuition and fees for these terms without deducting the amount of tuition grants awarded by the school prior to billing VA for tuition and fees. A CS referral for correct tuition and fee amounts for each term was submitted and processed with a total 75B school debt of \$3,675.00.

- C. D [REDACTED] T [REDACTED], XXX-XX-[REDACTED], CH 33; student was certified for school terms 4/10/17-6/29/17; 3/27/17-4/6/17; 1/16/17-3/23/17; and 11/14/16-1/12/17. School originally submitted tuition and fees for these terms without deducting the amount of tuition grants awarded by the school prior to billing VA for tuition and fees. CS referral for correct tuition and fee amounts for each term was submitted and processed with a total 75B school debt of \$4,492.80 and a student debt of \$81.56.
- D. D [REDACTED] W [REDACTED], XXX-XX-[REDACTED], CH 33; student was certified for school term 8/15/16-10/31/16 for tuition cost of \$5,000.00; school awarded a tuition grant to the student in the amount of \$3,000.00 which was not deducted from the tuition cost prior to billing the VA for school term 8/15/16-10/31/16. Correct tuition for this term should be \$2000.00; CS Referral was submitted and processed which resulted in a 75B school debt of \$1,200.00.

Recommendations

These discrepancies were due to the certifying official not deducting the amount of the tuition grants prior to billing the tuition and fees to the VA. Please review our findings to insure that appropriate actions are taken to prevent this problem in the future.

We appreciate the effort you and your staff have made on behalf of students receiving VA education benefits at the New Horizons CLC of Chicago. Any questions regarding this compliance survey may be directed to Mr. Steven Nelle at (314) 253-4100 x1033.

Sincerely,

/S/

BEN BERCK

Chief Education Liaison Officer
C&L Central Region